

AN ORDINANCE

97854

CONSENTING TO AN ASSIGNMENT OF THE HENRY B. GONZALEZ CONVENTION CENTER (BUSINESS CENTER) LEASE AGREEMENT ("AGREEMENT") AND AMENDMENT TO BUSINESS CENTER AGREEMENT WITH F. KELLOGG ENTERPRISES, INC., AS "TENANT", OF THE TENANT'S INTEREST IN THE AGREEMENT AND AMENDMENT, WITH ALL OF THE TERMS AND CONDITIONS TO REMAIN THE SAME, TO TEXAS BADGER DEVELOPMENTS-1, LLC, TO OPERATE A FRANCHISE OF MAIL BOXES ETC. DBA THE UPS STORE CONSISTING OF 1,761 SQUARE FEET OF LEASED PREMISES, WITH A MONTHLY BASE RENT OF \$1.55 PER GROSS SQUARE FOOT OR \$2,729.55 PER MONTH, FOR AN ANNUAL BASE RENT OF \$32,754.60 FOR THE BALANCE OF THE INITIAL TERM OF FIVE (5) YEARS, WHICH COMMENCED DECEMBER 31, 2001, WITH ONE (1) RENEWAL TERM OF THREE (3) YEARS SUBJECT TO SAN ANTONIO CITY COUNCIL APPROVAL, WITH THE CITY'S CONSENT BEING CONTINGENT ON WRITTEN CONFIRMATION OF THE SALE OF THE FRANCHISE TO TEXAS BADGER DEVELOPMENTS-1, LLC.

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WHEREAS, Ordinance Number 94484 passed and approved on September 6, 2001 authorized the execution of the Henry B. Gonzalez Convention Center (Business Center) Lease Agreement also known as the Business Center Agreement, ("Agreement"), with F. Kellogg Business Enterprises Inc., a franchisee of Mail Boxes, Etc., as Tenant, for a Business Center located in the vicinity of the Lila Cockrell Theatre and the Entrance Lobby, on the street level of the Convention Center, to offer various office functions to Convention Center customers, and sell assorted office supplies; and

WHEREAS, an Amendment to Business Center Agreement was approved, pursuant to Ordinance Number 95758 dated May 16, 2002, which added 375 square feet of space to increase the Leased Premises from 1,386 square feet to 1,761 square feet, to facilitate receipt of large shipping orders for larger conventions and provide extra storage space for supplies; and

WHEREAS, F. Kellogg Enterprises, Inc. (Assignor) has requested that the City consent to the assignment of the Tenant's interest in said Agreement and Amendment to Texas Badger Developments-1, LLC (Assignee), to operate a franchise of Mail Boxes Etc. dba The UPS Store, , with a monthly base rent of \$1.55 per gross square foot or \$2,729.55 per month, for an annual base rent of \$32,754.60, with all other terms and conditions of the present Agreement and Amendment remaining the same; for the balance of the initial term of five years, which commenced December 31, 2001, with one renewal term of three years subject to City Council approval, the assignment, being contingent on written confirmation of the sale of the franchise to Texas Badger Developments-1, LLC and

WHEREAS, this Ordinance has been coordinated with the Department of Asset Management, Economic Development, and the Office of the City Attorney and the City is agreeable to consenting to such assignment, contingent on written confirmation of the sale of the franchise to Texas Badger Developments-1, LLC; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. Contingent on written confirmation of the sale of the Mail Boxes, Etc. dba The UPS Store franchise from F. Kellogg Enterprises, Inc. to Texas Badger Developments-1, LLC., the City of San Antonio consents to an Assignment of the Henry B. Gonzalez Convention Center (Business Center) Lease Agreement ("Business Center Agreement"), and the Amendment to Business Center Agreement,

Agreement ("Business Center Agreement"), and the Amendment to Business Center Agreement, assigning the Tenant's interest in the Business Center Lease Agreement and Amendment to Business Center Agreement with F. Kellogg Business Enterprises Inc., a franchisee of Mail Boxes, Etc., as Tenant, ("Assignor") to Texas Badger Developments-1, LLC ("Assignee") for use of the business center located in the vicinity of the Lila Cockrell Theatre and the Entrance Lobby, on the street level of the Henry B. Gonzalez Convention Center, being the Business Center Agreement, originally authorized by Ordinance Number 94484 passed and approved September 6, 2001, and as amended pursuant to Ordinance Number 95758 dated May 16, to operate a franchise of Mail Boxes Etc. dba The UPS Store, consisting of 1,761 square feet of Leased Premises, with a monthly base rent of \$1.55 per gross square foot or \$2,729.55 per month, for an annual base rent of \$32,754.60, with all other terms and conditions of the present Business Center Agreement and Amendment remaining the same, for the balance of the initial term of five years, which commenced December 31, 2001, with one renewal term of three years subject to City Council approval.

SECTION 2. The City Manager or her designee is hereby authorized to execute the Assignment of Business Center Agreement and Amendment to Business Center Agreement, a copy of which executed by the Assignor and Assignee, being attached hereto as Exhibit "A", and incorporated herein verbatim for all purposes.

SECTION 3. The proceeds of these agreements shall be deposited into Fund 29-005 entitled "Miscellaneous Special Revenue," Index Code 031997, entitled, "Business Center Commissions."

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director may, subject to concurrence by the City Manager or the City Manager's designee, correct allocation to specific index codes and fund numbers as necessary to carry out the purpose of this Ordinance.

SECTION 5. This Ordinance shall be effective on July 6, 2003.

PASSED AND APPROVED June 26, 2003.

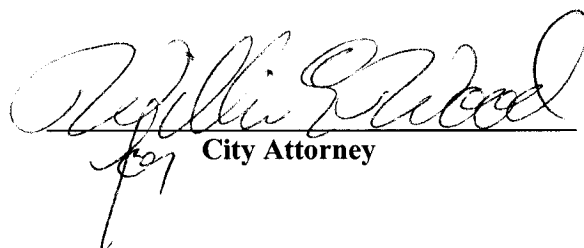
ATTEST:


City Clerk


M A Y O R

EDWARD D. GARZA

APPROVED AS TO FORM:


City Attorney